



Board of Directors Meeting Minutes

January 4, 2006

**1:30 p.m. – 4:00 p.m.
CDLE Conference Room
633 17th Street
12th Floor
Denver, CO 80202**

I. Call to Order: 1:32 p.m. Jack Arrowsmith

A. Roll Call

Arrowsmith, Cooke, Feingold, Jenik, May

Excused: Cadman, Dennis, Sobanet, Wells, Marroney, Picanso, Williams

B. Introduction of Audience

No Quorum Established

II. Committee Reports

A. Business Committee, Michael Cooke

The Business Annual Report is finished. Printed copies are available.

Jack Arrowsmith said that they would skip the adoption of the annual Business plan since there is no quorum.

B. Contracts Committee, Gregg Rippy

Local Government EGE Agreement

Gregg Rippy stated that he met with Jeffco yesterday. Jeffco of course wants minor differences than Douglas County, such as language and they want the Task Order separate from the EGE. Richard believes that is what SIPA did with Douglas County. The IT director for Jeffco would like to hurry because there is a lot of framework for business.

Gregg stated that there was a request this morning from Pueblo asking about how they can do business with SIPA. Pueblo is interested in vehicle registration after seeing the press release, which was unfortunately up-scaled by the snowstorm.

C. Finance Committee, Gregg Rippy

Jack Arrowsmith stated that Henry Sobanet is not here and he will probably give some sort of financial report before his departure.

Discussion:

Gregg Rippy reported that SIPA would send a financial report for November as soon as they get the CHFA statement. SIPA will need to perform a fiscal year audit. This is the first year for an audit, since the bank account was opened in mid January of 2006. Therefore, to cover our eventualities, Gregg is going to move with the calendar year.

Senator May asked if we settled on a fiscal year.

Gregg Rippy replied that SIPA does not have anything yet. There was no activity before January 1st, 2006. Treasury handled everything before that.

May said that he still has a bill open on that, so to let him know what he should do.

Gregg Rippy stated that he would hopefully get some clarification between Richard Westfall and himself.

Income Report

Gregg Rippy reported that SIPA continues to have stable income from Colorado Interactive as seen on the General Manager Reports. There is some additional revenue that was outside the norm. SIPA is starting to get some transaction income, and they are of course trying to move forward on getting some additional revenue streams.

Discussion:

Jack Arrowsmith said that he noticed that there were no employee wages or benefits on the last finance report.

Gregg Rippy said that has been fixed and they will send out a new report.

D. Personnel Committee, Rep. Cadman

No Report

E. Ad Hoc Legislative Committee, Marroney

Gregg Rippy said that Richard Westfall can explain what was discussed when this committee met.

Richard Westfall reported that the committee covered waterfront on all the issues that was discussed at the last board meeting plus a couple of other issues. The consensus was that it did not make sense to take potential risk in opening the

statues and getting it on the radar screen and his thought was that this was not the year to do that.

Discussion:

Bob Feingold agreed.

Senator May asked if the Board is still open on the issue of the audit.

Gregg Rippy replied yes.

III. New Business

A. Executive Director Report, Gregg Rippy

New Board of Directors Appointments

Gregg Rippy stated that John Thomas is meeting this afternoon with information about Governor Ritter-elect, and is going to talk about the change of the website, which will happen the moment that he is sworn in. He will go over what they would like to see on that website. People who are there right now would like to reinforce what you (May and Cooke) just said. The Governor will appoint four from state agencies and it does not have to be from any particular one. Department of Revenue is very important. Without Revenue, we would not be here today.

Gregg Rippy continued to say thank you to Michael Cooke because this is a result of her hard work that both CI and SIPA appreciate. Colorado.gov will be ready for the Governor when he takes office. It is a nice touch to change the website right away to show immediate presence.

Gregg Rippy stated that Kathy Gappinger has been working on orientation packets for the new board members, and as soon as they know who they are, he will make personal contact and let them know what their roll will be.

Discussion:

Senator May stated that he has an OIT bill, architectural stuff, that he volunteered for, and they informed him that they were full and they did not need him. He believes that they picked a good CIO. Senator May asked if the Board had any influence on the incoming administration.

Bob Feingold asked what he meant?

Senator May restated that we have some people to replace on this board. He just wants someone who will come to the meetings, be interested in the work, and not interested in just prettying up their resumes.

Michael Cooke said that she had an opportunity three weeks ago to sit down with Bob Lee and in hope to bring the board to his attention. She also sent an email to the new administration telling them how important this board was and that there are many positions to be filled soon.

Senator May stated that he can probably get an audience if the Board would like.

Gregg Rippy said that every opportunity they can get an audience is great and to call him and he will join.

Senator May said that it is good to take Rich Olsen's GM Report, so they can show everything that is done and how to get other people involved. Does he (Gov. Ritter-elect) know that the board exists?

Gregg Rippy said that yes he does, and in the next week there will be a lot of appointments since most directors have a resign date.

Michael Cooke stated that some have resignation dates. They are all operating as though Monday is their last day, so that would effect their appointment of this board. She serves Governor Owens, resignation or not, they are out of here.

Senator May said that that is not the case for the civilian Board Members.

Bob Feingold and Greg Jenik both replied no, and said that they are on terms.

Gregg Rippy said that Bob Feingold's term expires June, 2007, Jack Arrowsmith's expires June, 2008, and Greg Jenik's expires June, 2010.

Greg Jenik said that he would be happy to participate in any meeting.

Bob Feingold said that he would participate as well.

SIPA Office Space

Gregg Rippy reported that SIPA is now located in the building (633 17th Street). SIPA is on the 16th floor, suite 1610. They are waiting on the Internet, phones, and furniture, which should happen within the next week or so. There will be two offices, a workroom, and an 8-10 person conference room.

Discussion:

Jack Arrowsmith asked if the Board of Directors would meet at the legislative services room?

Gregg Rippy replied that the space is sometimes taken. However, the Secretary of State has offered that office for us to use as well. He said that he would prefer to stick to a spot and stay with it.

Jack Arrowsmith said that he liked the Aspen Room, if that is available.

Gregg Rippy said that they look into that, especially since the Secretary of the State is required to be on the Board.

Content Management System

Gregg Rippy reported that in the last 30 days there were issues with the CMS. The biggest problem with Fat Wire was working with the Mozilla browser, which Rich Olsen and John Thomas have been working on. They needed to work with cyber threats, which they have solved now.

Governor's Website

Gregg Rippy explained that changing Governor's website will be a nice touch. The Website will change the moment that Governor Ritter is sworn in.

New Applications

Gregg Rippy said that everyone should look at the new applications, if they have not already. Coloradopropects.com is up and running. It is for businesses looking to do business in Colorado, with GIA systems. It is a wonderful economic tool for Economic Development, and even though they had a very tight time frame, they are very happy with the outcome.

Annual Report

Gregg Rippy said that he would have the annual report for the Board at the next meeting. He reported that they are waiting on Chairman Cadman's letter. He said that he meant to have finalized today, but got email that Chairman Cadman could not be here. Gregg Rippy will report on Monday or Tuesday to President of the Senate and the Speaker of the House. He explained that they simply updated last year's annual report and so it will look very similar. Included is the list of applications from the last GM report so to see what is up and running. He said that he looked at other annual reports, and found that the state auditors report was only four pages as compared to SIPA's seventeen. He also explained that February's meeting would be an organizational meeting in many aspects. He then opened for questions and discussion.

Discussion:

Senator May asked if Colorado.gov is ready to take on cities.

Gregg Rippy replied yes. He said that Denver is moving slowly, but SIPA continues to get the interest in more cities. He also said that they are ready with the payment engine and the other existing applications that are out there.

Senator May said that he thinks he can get Colorado Springs quick. They are experiencing a decentralization problem where they cannot talk to each other. He asked Bob Feingold whether they have improved.

Bob Feingold replied saying yes.

Gregg Rippy explained that Jeffco implemented a system that has made them accountable and an eye-opener for a lot of other departments. He further said that unfortunately they are light years behind on a statewide basis.

B. General Manager's Report, Rich Olsen

Recognition of Rich Olsen

Jack Arrowsmith said that they would first like to take an opportunity to recognize Rich Olsen for his work. Jack Arrowsmith said that it has been a pleasure working with Rich Olsen and that he was very instrumental. He continued to say that Rich Olsen's leadership was terrific and very much appreciated.

Discussion:

Gregg Rippy said that he remembers Rich Olsen as the stewpot and he will just get on one issue and just stew. Gregg Rippy said that it is a great trait and Rich made it easy for him to come back.

Michael Cooke said that she would like to echo that statement. She said that Rich Olsen was great to work with and had a terrific team of people. She said that all the people at CI are wonderful to work with. She told Dan Morrison that he would have big shoes to fill. Rich Olsen has been so responsive, especially since the Department of Revenue has been very demanding and asked a lot as a department. CI always delivered. She said that Rich Olsen is a good friend too.

Senator May told Rich Olsen that he has done a great job. He said that he respects his wisdom. Senator May said that it took him about 10 years to get NIC on board and he always wanted NIC in Colorado. He said that being on this board has been the most fun he has ever had on any project. The portal has been running because of Rich Olsen. Senator May said that he has learned a lot from Rich.

Greg Jenik stated that Rich Olsen has helped the Board achieve the dream that everyone had with the experience of NIC. He said that their first plan was wide and thick, and Rich Olsen helped push it forward. He further said that Rich's demeanor has been cooperative and he loves his sense of humor.

Bob Feingold said that he would like to add thanks and best wishes to Rich Olsen. He said that he has appreciated the responsiveness that he added, which has been very helpful. He also wishes Rich and his family all the best in their new endeavors.

Jack asked Rich Olsen to come forward and presented him with a plaque from the SIPA Board of Directors.

Rich Olsen said that the only reason he can succeed is because the Board of Directors has set the foundation to do it right. He said that there are so many states that lack the leadership, but CI has great direction from the Board and from Gregg Rippy. Rich Olsen mentioned that it is not his choice to go elsewhere because he loves it here, but family matters take him away. He said that he will be with a much successful partner, and he introduced Carrie Gott, from NIC. Rich said that he has really learned a lot from her experience. She has done this for a very long time in Maine, Rhode Island, New Hampshire, and Vermont. Rich Olsen said that it is really great that she is moving on and has supported Dan and him. He said that he wanted her to meet the Board of Directors, and he was glad that she came. Rich said that the Board of Directors has really made it really easy and was always so nice to him. He said that he has seen them in other meetings and felt very lucky.

Bob Feingold joked that Rich is not done yet and still needs to give the GM report.

Rich further stated that the processes that have been established here really are top notch. He said to Michael Cooke that a year and a half ago they asked how they were going to get a self-funded model, and finally she flipped the switch. He said that there were definitely tough times, and they did not know if it was going to get off the ground. He gave thanks to Michael Cooke and said that it is easy to tell by the GM report, that DOR is the pioneer. He further said that it is because of DOR's example, getting the first EGE, funding, and stirring in Becky Davis, that others can see just how successful Colorado.gov can be. He continued to say that he is so glad that Gregg Rippy came back to the portal and he can only leave because he knows that Gregg is staying. He said that Gregg has been a good friend, has such political smarts, great work ethic, and said that if he can have a sense of humor it is because of Mr. Humor himself.

Dan Morrison said that since this is his third day on the job, he would love for Rich Olsen to do the honors and give the GM Report. Dan mentioned that he is coming from the Hawaii portal where he has worked for the last 5 years. He cycled through the Utah portal and has known Rich for a very long time. He said that Hawaii only has one million people, and five years ago, the portal only had the DMV funding. Now, the Hawaii portal has 60% non-DMV funds. Dan Morrison said that he looks forward to work with the Board of Directors and is looking forward to this next life cycle.

C. General Manager's Report, Rich Olsen

Rich Olsen reported that some things were added in November and that it was amazing what has happened in the last couple of months. He said that it is important to pay attention to what has happened in the last year as well. He pointed out to look at page four in the General Manager's Report as the existing services. The months of November and December have been fantastic. He said that Michael Cooke and the Department of Revenue demanded a lot, but they were able to get it all done.

Project Report

Rich Olsen said that in November, they had projects for six different departments including Revenue, DPA, Agriculture, OEDIT, DORA, and CDPHE. Also, he said that in December, Colorado Prospects went live, which was big for Brian Vogt. There is a GIS portion on the site that shows all the demographics of Colorado. He suggested that everyone should have to look at it, if they have not already.

Financials

Rich Olsen continued to say that the application list for 2007 is very strong and they are financially very stable. He said that they are starting to look at other revenue sources, which is very exciting. The goal is to diversify and to not be dependent on one revenue stream.

Nation Ranking

Rich Olsen said that nationally, Colorado.gov was ranked 8th. They looked at 25 features in seven categories: usability, citizen responsiveness, accessibility for disabled visitors, information tools, online procurement, job opportunities, and interactive permits and payments. Rich Olsen that the poll also drilled down into different departments off of Colorado.gov and so it is very good for everyone.

Discussion:

Gregg Rippy said that he takes exception to the ranking and that Colorado.gov is technically tied for 6th. So therefore, Gregg will say that they are ranked 6th.

Vehicle Registration

Rich stated that on December 19th, Colorado.gov officially launched Vehicle Registration for Douglas and Denver County. There are four or five other counties begging and waiting in line. This application is so citizens can renew their vehicle registration and receive the tags in the mail.

Discussion:

Senator May asked if the payment engine is with COFRS.

Rich Olsen replied saying that it is. They will need to fix CSTARS. Every application that they build will need to be changed, but they will have to just go along with the changes. It is a lot of work, but they can do it.

Rich replied that DOR is so different from DORA. For example there were a lot of changes for DORA, but they will be usable for another department. CI will probably have six interfaces. It will start to say in January, Colorado.gov.renewplates, for Vehicle Registration. Unfortunately the press release for this was lost with the snowstorm, but as more counties sign up, the rates will go up.

Senator May asked if they will function as each separate county.

Rich replied that the process will be the same but they will need to make sure that they get the accounting side to it. They will need whatever system to process in their backend, which is fairly standard.

Gregg Rippey stated that with DOR's EGE, each county would not need a new EGE because of the DOR project.

Senator May stated that they may need standardization.

Rich replied saying that as soon as CSTAR is up, every one of the counties will be using it.

Senator May asked how the counties will get their money and follow their process.

Jack Arrowsmith replied saying that it will reflect their current process, client to counter.

Michael Cooke said that Becky Chandler could fill the Board in with more details.

Becky Chandler said that each county would keep track of and manage their own fees. That is why each county is independent. Once the money is collected, the process will remain the same as it is.

Senator May said that he has been there and done that. It makes him very suspicious building on something that they are already doing, rather than going outside the box.

Bob Feingold asked if this was driven by legislation.

Jack Arrowsmith said that banking drives it. There are only about four lock box systems and there are some banks that cannot support that program.

Marketing

Rich Olsen said that they are just starting the marketing for Vehicle Registration by putting out posters and pamphlets. He said to Michael Cooke that it is a shame that she will not be able to see the outcome; but next time she needs to renew her plates, she can do it online!

Project Report (Continued)

Rich Olsen pointed out page four of the General Managers Report that there was a lot done in November and December. On page six, it says that MIIDB has been the biggest undertaking they have done, and all the insured information of everyone in the state is on that database. They are allowing every insurance company to update their book of businesses and insurance information of all clients. They are now down to the wire and will be live on the 15th.

Discussion:

Senator May said that the primary reason he thought they did this was to see who did not have insurance, rather than who does. Anyone's guess would be around 10-30%. He asked what are they doing about those who are not insured.

Michael Cooke replied that the old system that will be replaced did have a mechanism for sending out letters to those that were not insured, but there were probably a lot of inaccuracies, because citizens would get letters even when they were fully insured. There has never been any way of showing that the existence of the database really has any liability. The problem is when the enforcement officials pull someone over and ask for the proof of insurance. That is what needs to be fixed. It has nothing but a database. Moving to CI, there will be more accurate and effective information, but it does not play roll in compliance.

Senator May said that if they have a VIN number and insurance, why not just put those together?

Michael Cooke said that they could find that out when a citizen is pulled over. They will know that on the database, but there is no enforcement. There is no penalty to drive without insurance, unless they are pulled over.

Senator May said that he will be the defender of the public to some degree. They implement the AIR program to inspect the air, which is a good system to get the good people. But why not go the other way and punish the bad guys. That is his philosophy.

Bob Feingold said that the details are in the implementation and he thinks that will take up the challenge.

Financials (Continued)

Rich Olsen continued with the GM Report saying that on page 10, it shows that they are very stable with 98,000 revenue shares of 46. Again it is very stable. The Press release that we did for the vehicle registration mentions that there are 454 Denver and 215 Douglas processes.

Greg Jenik asked Rich Olsen to look at page 10 under gross utility payments.

Rich said that it should not say payments through DORA, because they are running testing. There have been 41 transactions and on that application, they are maybe making a quarter.

Bob Feingold said that it looks like the same participants have applications over and over. He asked what is inhibiting other agencies to participate.

Rich said that Agriculture and DPA for example, have both definitely jumped in.

Bob Feingold asked what the conditions are that have to be met either by performance, the board, or whoever else.

Gregg Rippy replied that that was a valid question. He said that they are moving forward quite well. Some agencies do not have as much out facing as others do. ASA has an EGE and is ready to work with us. With certain agencies, the CIO may not want to play. CDOT, for example does not want to use Colorado.gov as of right now. But there is a huge excitement with many counties and cities right now, and especially those that need help.

Bob Feingold asked what he could do to help, so that he does not sound so critical.

Gregg Rippy said that he could sit down with a list of agencies and look at who is in there and who he would be in contact with. There are certain agencies that he has never had exposure to.

Senator May proposed that what if they were to provide an incentive to those agencies that have a portal of their own and are delivering products through that portal. The Secretary of State's office, for example, uses UCC codes, which required a lot of effort to put that up. He cannot see a large advantage for them to join. So then what about incentives? Equipment gets old and these agencies will need money, and therefore they could come to the portal.

Jack Arrowsmith said that in the last 60 days, he is unsure that CI could have taken on anything more.

Senator May said that it takes CI a lot more work to bring up something that has never been implemented as a package.

Rich responded saying that is not true. When bringing on an application, there is maintenance with something they did not build. They are gaining a lot if they do that.

Senator May said that if it pays money, it means a lot. He asked the board what if Michael Cooke's replacement does not want to play ball, then what?

Jack Arrowsmith said that there are a lot of what ifs. We need to focus on providing a product that people want. The renewal of vehicle registration is fabulous, and if the new director wanted to change it, they would hang him.

Michael Cooke said that she does not think that it is an issue.

Rich Olsen said that there are some departments that need the portal a lot more than others. DOR does not have a lot of online services, for example.

ACTION ITEM: Bob Feingold and Gregg Rippy to get ideas on marketing the portal to different agencies.

Dan Morrison stated that from the experience in Hawaii, they were just building a reputation in the beginning. Even though they lost a couple of applications and they found that the phones

started to ring across the other agencies. Those who were reluctant before were starting to call up. Colorado.gov has a terrific track record. Gregg Rippey met with Jeffco. Sometimes getting an EGE can take a lot of time just to get all the signatures, even though all parties are willing.

Rich Olsen said that they have good momentum.

Gregg Rippey said that it makes a lot of sense to make February an organizational meeting.

IV. Additional Discussion

Board of Directors Recognition

Jack Arrowsmith listed that John Picanso, Tambor Williams, Henry Sobanet, Gigi Dennis, and Jeff Wells were leaving the Board. Because they were not present at the meeting, the plaques will be delivered to them.

Discussion:

Jack Arrowsmith said that John Picanso had a vision to bring the CIO's and did a wonderful job doing that. John is going back to the Department of Agriculture.

Gregg Rippey said that it would be good to have a fan in the Ag department.

Senator May said that he was the best guy OIT ever had. He got along well with the legislators and the JBC. He has done great.

Jack Arrowsmith said that Jeff Wells, Gerald Marroney, and Tambor Williams were the legal counsels before we had Richard Westfall. It was exactly what they needed at the time to help them out. Each member that they had and are losing had his or her own piece of what is happening. Looking back to the history of this organization, Jack Arrowsmith said that he got his appointment in July of 2004 and Tambor Williams was the same time. The first meeting was in August, where she was the secretary. She has been the longest standing officer on the Board. He gave a great thank you to her for what she has put up with.

Jack Arrowsmith continued to say that not too long after Henry Sobanet came on board. What a terrific job he has done with that. Such a crucial piece that we needed. He was a true fiscal conservative.

Gregg Rippey agreed and joked that sometimes maybe too conservative.

Senator May said that he talked with Henry Sobanet last week and he said that SIPA was the most rewarding experience. Senator May said that he feels the same way. He said that they were autonomous, and they did not get tied up.

Jack Arrowsmith asked if anyone knew where Tambor Williams and Henry Sobanet were headed.

Senator May replied that it was not public yet.

Jack Arrowsmith said that Gigi Dennis really impressed him when she took the position of Secretary of State, and he has tremendous respect for her. She has a very classy manner.

Bob Feingold and Gregg Rippy agreed with Jack Arrowsmith.

Jack Arrowsmith said that the last person he would like to talk about is Michael Cooke, who was present at the meeting. He said that we would not be where we are today without Michael. It took great leadership on her part to get the portal started. He said that they have been friends for a very long time and enjoyed getting together on a regular basis. He thanked her and said that he will miss her.

Michael Cooke accepted the plaque and said that this has been very rewarding. She said that she knows what Henry Sobanet is talking about. As many others in the room know, there was a previous effort for a portal. They have all been trying for a very long time. It was very exciting when it was done and a reality. She said that she was very pleased to serve and to work with everyone. It has been a tremendous effort, and she said that she was given a lot of credit that she does not deserve alone. She also thanked Becky Davis and Colorado Interactive. It is all a joint effort that she will truly miss.

Gregg Jenik stated that he feels like they are all celebrating a milestone. And it was also people like Tina Montoya, Brian Vogt, and Ron Ozga have been very important. It really helped with CI and Systest. We do have a change of management, and he hopes that those past efforts are remembered.

Senator May asked Gregg Rippy who would get appointed and replaced.

Action Item: Send out updated Board of Directors list as soon as they know.

Jack Arrowsmith asked if there were any other questions and comments.

V. Agenda Items for Next Meeting

None specific.

Next meeting is scheduled for:

Thursday, February 1, 2007

1:30 p.m. – 4:00 p.m.

Secretary of State's Office

1700 Broadway

Aspen Conference Room

Denver, CO 80290

VI. Adjournment

The meeting adjourned at 3:00 PM.